
MIT Merchandise Style Guide and Licensing Program



Massachusetts
Institute of
Technology

Process

The MIT Technology Licensing Office (TLO) and the MIT Communications Initiatives work together to review and approve designs for MIT-branded merchandise. Licensees are required to provide a PDF of proposed designs for new items and for items being reordered to mitmerch@mit.edu. According to MIT's trademark license agreement, MIT has 14 days to respond to your design submission. We will, however, make our best effort to respond within 3 to 5 business days.

Original, high-resolution files of the MIT logo and seal can be requested by contacting mitmerch@mit.edu.

The MIT style guide can be found at <http://web.mit.edu/graphicidentity/merchandise.html>

Please do not extract logo files from this document.

Contact information

MIT Merchandise Team

mitmerch@mit.edu

Contact the MIT Merchandise Team:

- to review proposed designs for MIT-branded merchandise

Technology Licensing Office (TLO)

617-253-6966

tlo-trademarks@mit.edu

Contact the TLO:

- for permission to use an MIT mark
- for licensing information
- with questions about the appropriate placement of the ® or ™ symbols
- with questions about the design guidelines outlined in this document
- for assistance with the logo formats

TRADEMARK LICENSE AGREEMENT

This License Agreement ("Agreement") is effective as of the date above the signatures of the parties below ("EFFECTIVE DATE") by and between the MASSACHUSETTS INSTITUTE OF TECHNOLOGY, a corporation duly organized and existing under the laws of the Commonwealth of Massachusetts, having its principal office at 77 Massachusetts Avenue, Cambridge, Massachusetts, 02139, U.S.A. ("MIT"), and _____, a corporation duly organized under the laws of _____, having its principal office at _____ ("LICENSEE").

1. BACKGROUND

1.1 MIT owns rights in certain marks now and previously used by MIT and has acquired public recognition and goodwill through the use of such marks.

1.2 LICENSEE recognizes the goodwill appurtenant to use of said marks and desires to obtain a license to use certain of such marks. MIT is willing to grant such a license under the terms and conditions of this Agreement.

2. DEFINITIONS

2.1 LICENSED MARKS shall mean those marks listed in Appendix A.

2.2 LICENSED PRODUCTS shall mean the products in the categories specified in Appendix B that bear a LICENSED MARK.

2.3 TERRITORY shall mean U.S.A. and Canada only.

2.4 NET SALES PRICE shall mean LICENSEE's billing price to customers or distributors, less (1) discounts given that are customary in the trade, (2) returns, (3) transportation charges on returns if paid by LICENSEE, (4) taxes, and (5) prepaid transportation charges on LICENSED PRODUCTS SOLD by LICENSEE.

2.5 SOLD (or SALE) shall mean the first to occur of a LICENSED PRODUCT being shipped, distributed, paid for, billed or invoiced.

2.6 TERM shall mean the effective period of this Agreement, which shall commence on the EFFECTIVE DATE and which shall terminate on the fifth anniversary of the EFFECTIVE DATE.

3. LICENSE GRANT

3.1 Subject to the terms and conditions of this Agreement, MIT grants to LICENSEE the nonexclusive right to use, sell and have sold LICENSED PRODUCTS in the TERRITORY during the TERM hereof. In addition, MIT grants to LICENSEE, during the TERM, the nonexclusive right to manufacture and have manufactured the LICENSED PRODUCTS within and outside the United States, provided that LICENSEE and any manufacturers with whom LICENSEE subcontracts comply with MIT's Code of Conduct, further described in Paragraph 3.3.

3.2 LICENSEE shall not sublicense any of the rights granted hereunder.

3.3 LICENSEE acknowledges that MIT desires that LICENSEE not engage in practices that adversely affect the dignity and welfare of the workers who manufacture or produce the LICENSED PRODUCTS. MIT has adopted a Code of Conduct that regulates the conditions of manufacture of LICENSED PRODUCTS. MIT has attached the current version of the Code of Conduct as Appendix C hereto, thereby becoming a part of LICENSEE's obligations under this Agreement. MIT reserves the right to amend its Code of Conduct from time to time and attach it to this Agreement. Any LICENSEE who is unable or unwilling to comply with the amended Code of Conduct, as it exists from time to time, shall be allowed to terminate this Agreement within ninety (90) days after receipt of the revised Code of Conduct from MIT.

4. PAYMENTS

4.1 Delivered with LICENSEE's signed Agreement, LICENSEE shall pay to MIT a non-refundable License Issue Fee of One Hundred Dollars (\$100.00). This fee is not creditable to future royalties due hereunder.

4.2 LICENSEE shall pay to MIT an annual non-refundable, non-creditable License Maintenance Fee of One Hundred Dollars (\$100.00), due on each anniversary of the EFFECTIVE DATE during the TERM.

4.3 In addition to the License Issue Fee and annual License Maintenance Fee, LICENSEE shall pay to MIT a continuing royalty of seven and one half percent (7.5%) of the NET SALES PRICE of all LICENSED PRODUCTS SOLD by LICENSEE. If LICENSEE has SOLD any LICENSED PRODUCTS to any party affiliated with LICENSEE, or in any way directly or indirectly related to or under common control with LICENSEE, at a price less than the regular price charged to other parties, the royalties payable hereunder shall be computed on the basis of the regular price charged to nonaffiliated parties. There shall be no deduction from the royalties owed for uncollectible accounts or for advertising or other expenses of any kind which may be incurred or paid by LICENSEE, except those specifically enumerated in Paragraph 2.4 above.

4.4 SALES of LICENSED PRODUCTS to the MIT Museum Shop are exempt from royalties under this Agreement. Nothing contained herein is intended to supersede or negate any additional and/or separate agreement for payment of monies directly to the MIT Museum Shop by LICENSEE.

4.5 Royalty payments shall be due within thirty (30) days of the end of each calendar quarter and shall be accompanied by the royalty reports described in Paragraph 5.2 below. Royalty payments shall be payable in United States dollars to "Massachusetts Institute of Technology" at the location in Paragraph 12.1 below, or at such other place as MIT may reasonably designate consistent with the laws and regulations controlling in any foreign country. If any currency conversion shall be required in connection with the payment of royalties hereunder, such conversion shall be made by using the conversion rate existing in the United States, as reported in the Wall Street Journal, on the last working day of the calendar quarter of the reporting period to which such royalty payments relate.

4.6 The royalty payments set forth in this Agreement shall, if overdue, bear interest, to the extent permitted by law, at five (5) percentage points above the Prime Rate of interest as reported in the Wall Street Journal on the date payment is due. The payment of such interest shall not foreclose MIT from exercising any other rights it may have as a consequence of the lateness of any payment.

5. REPORTS AND RECORDS

5.1 LICENSEE shall keep full, true and accurate books of account containing all particulars that may be necessary for the purpose of showing the amounts payable to MIT hereunder. Such books of account shall be kept at LICENSEE's principal place of business or the principal place of business of the appropriate Division of LICENSEE to which this Agreement relates. Such books and the supporting data shall be open at all reasonable times for five (5) years following the end of the calendar year to which they pertain to the inspection of MIT or its agents for the purpose of verifying LICENSEE's royalty statement or compliance in other respects with this Agreement. In the event that any audit performed under this paragraph reveals an underpayment in excess of five percent (5%), LICENSEE shall bear the full cost of such audit and shall remit any amounts due to MIT within thirty (30) days of receiving notice thereof from MIT.

5.2 Within thirty (30) days after each calendar quarter during the TERM, LICENSEE shall deliver to MIT true and accurate reports giving such particulars of the business conducted by LICENSEE during the preceding calendar quarter as shall be pertinent to a royalty accounting hereunder. These reports shall include at least the following:

- (a) A description, broken out under each individual trademark, of all LICENSED PRODUCTS manufactured and SOLD.
- (b) Total billings, broken out under each individual trademark, for LICENSED PRODUCTS SOLD.
- (c) Deductions applicable as provided in Paragraph 2.4.
- (d) Total royalties due.
- (e) Names and addresses of LICENSEE's retail sellers of LICENSED PRODUCTS.

5.3 With each such report submitted, LICENSEE shall pay to MIT the royalties due and payable under this Agreement. If no royalties shall be due, LICENSEE shall so report.

6. TERMINATION

6.1 MIT may terminate this Agreement immediately upon written notice to LICENSEE upon the following:

- (a) If LICENSEE shall cease to carry on its business;
- (b) In the event LICENSEE fails to submit timely reports or payments due hereunder, and fails to submit such reports or make such payments within thirty (30) days after receiving written notice of such failure;

(c) If, after expiration of the ninety (90) day grace period set forth in Paragraph 3.3, LICENSEE fails to comply with MIT's adopted Code of Conduct or any changes thereto; or

(d) In the event LICENSEE commits a material breach of its obligations under this Agreement, except for breach as described in (a) through (c) of this Paragraph, and fails to cure that breach within ninety (90) days after receiving written notice of such breach.

6.2 LICENSEE may terminate this Agreement for any reason, (i) upon at least six (6) months prior written notice to MIT, such notice to state the date at least six (6) months in the future upon which termination is to be effective, and (ii) upon payment of all amounts due to MIT through such termination effective date.

6.3 Upon termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination. The following provisions shall survive the expiration or termination of this Agreement: Articles 2, 7, 10 and 13, and Paragraphs 5.1, 5.2 (obligation to provide final report and payment), 6.3, and 6.4.

6.4 Upon expiration or termination of this Agreement, all rights granted to LICENSEE hereunder shall cease, and LICENSEE shall refrain from further use of the LICENSED MARKS in any manner. LICENSEE acknowledges that failure to comply with this provision shall result in immediate and irreparable harm affording injunctive and any and all other appropriate relief to MIT.

6.5 Upon expiration or termination of this Agreement, LICENSEE shall not operate its business in any manner which would falsely suggest to the public that this Agreement is still in force or that any relationship exists between LICENSEE and M.I.T.

7. GOODWILL IN LICENSED MARKS

7.1 LICENSEE agrees that the essence of this Agreement is founded on the goodwill associated with the LICENSED MARKS and value of that goodwill in the minds of the consuming public. LICENSEE agrees that it is critical that such goodwill be protected and enhanced and, toward this end, LICENSEE shall not during the TERM or thereafter:

- (a) attack the title or any rights of MIT in or to the LICENSED MARKS;
- (b) apply to register or maintain any application or registration of the LICENSED MARKS or any other mark confusingly similar thereto in any jurisdiction, domestic or foreign;
- (c) use any colorable imitation of any of the LICENSED MARKS, or any variant form (including variant design forms, logos, colors, or typestyles) of the LICENSED MARKS not specifically approved by MIT;
- (d) misuse the LICENSED MARKS;
- (e) take any action that would bring the LICENSED MARKS into public disrepute;
- (f) use the LICENSED MARKS, or any mark or name confusingly similar thereto, in its corporate or trade name; or
- (g) take any action that would tend to destroy or diminish the goodwill in the LICENSED MARKS.

7.2 All use by LICENSEE of the LICENSED MARKS shall inure to the benefit of MIT.

7.3 LICENSEE agrees to cooperate fully with MIT in securing and maintaining the goodwill of MIT in the LICENSED MARKS.

7.4 Upon becoming aware of any third party infringement of the LICENSED MARKS, LICENSEE shall promptly advise MIT of such infringement, including the name and location of such infringer.

8. QUALITY CONTROL; PACKAGING AND ADVERTISING APPROVAL

8.1 All LICENSED PRODUCTS shall be of a quality acceptable to MIT LICENSEE acknowledges that if LICENSED PRODUCTS manufactured and SOLD by it are of inferior quality in design, material or workmanship, the substantial goodwill that MIT possesses in the LICENSED MARKS would be impaired. Accordingly, LICENSEE agrees that all LICENSED PRODUCTS shall be of high quality. To this end, LICENSEE shall furnish to MIT, free of cost, for its approval, a sample of each LICENSED PRODUCT, together with any carton or container, packing or wrapping material. MIT shall have fourteen (14) days from receipt of each LICENSED PRODUCT in which to approve the sample. In absence of approval, the sample shall be deemed as rejected as an example of the quality for the LICENSED PRODUCT. The LICENSED MARKS may be applied by LICENSEE only to such LICENSED PRODUCTS as are manufactured in accordance with the corresponding samples accepted hereunder and that have substantially the same relative quality position in the market place as do the samples thereof; provided, however, LICENSEE may furnish to MIT a further sample of any LICENSED PRODUCT of which it desires to change the quality, style and/or appearance and MIT shall have fourteen (14) days from receipt thereof in which to approve in writing said further sample. Failure to approve shall be deemed rejection thereof as an example of quality for that LICENSED PRODUCT. MIT shall have the right through its employee(s) or designated representative(s) during normal business hours to inspect the facilities and product inventory of LICENSEE to assure itself that such acceptable level of quality is being maintained at all times.

8.2 Prior to any sale or commercial use, an example of each graphic design incorporating the LICENSED MARKS shall be provided to MIT for its approval and MIT shall have fourteen (14) days from receipt thereof in which to approve in writing said graphic design. Failure to approve shall be deemed as rejection thereof for that graphic design.

8.3 All packaging and advertising bearing the LICENSED MARKS shall be subject to the approval of MIT LICENSEE shall furnish to MIT one (1) copy of any packaging and advertisement of LICENSED PRODUCT used by LICENSEE. MIT shall have fourteen (14) days from receipt thereof in which to approve in writing the packaging or advertising materials. In the

absence of approval, the packaging and advertising materials shall be deemed as rejected. LICENSEE shall furnish to MIT a further sample of packaging and advertising if it desires to change the packaging or advertising. MIT shall have fourteen (14) days to approve such changed packaging and advertising.

8.4 MIT's failure to approve under Paragraphs 8.1, 8.2 and 8.3 above shall be deemed rejection, unless MIT shall have requested within any such fourteen (14) day period an additional period of time (no greater than two (2) additional weeks) for further consideration of the material in question, in which case the initial period for MIT consideration and approval shall be extended by such additional period of time. MIT reserves the right to revise its quality and design criteria at any time and to re-review, pursuant to this Article 8, LICENSEE's merchandise and graphic designs for compliance with such criteria.

8.5 Graphic designs of LICENSED MARKS must conform to the MIT Merchandise Style Guide attached hereto as Appendix D, which can be changed at MIT's reasonable discretion upon ninety (90) days notice.

9. MARKING

LICENSEE agrees that it shall mark the LICENSED PRODUCTS to indicate the rights of MIT in the LICENSED MARKS, including registration status of the LICENSED MARKS and that the products are manufactured pursuant to license. The LICENSED PRODUCTS or their packaging may also bear the statement "made by/for LICENSEE under license from the Massachusetts Institute of Technology, all rights reserved", and each LICENSED PRODUCT shall bear the notation " (R) " if registered for that class of goods or, if not registered for such class of goods, "TM" or other appropriate indication. Registrations are indicated in Appendix A.

10. INDEMNIFICATION AND INSURANCE

10.1 LICENSEE agrees that it is wholly responsible for all products manufactured or SOLD by or for it, including all LICENSED PRODUCTS, and that MIT shall have no liability for any items, including any LICENSED PRODUCT, manufactured or SOLD by or for LICENSEE. LICENSEE shall comply with all government regulations in the manufacture, advertisement, sale, or disposal of the LICENSED PRODUCTS.

10.2 LICENSEE shall indemnify, defend, and hold harmless MIT and its trustees, officers, faculty, students, employees, and agents and their respective successors, heirs and assigns (the "Indemnitees"), against any liability, damage, loss, or expense (including reasonable attorneys fees and expenses) incurred by or imposed upon any of the Indemnitees in connection with any claims, suits, actions, demands or judgments arising out of any theory of liability (including without limitation actions in the form of tort, warranty, or strict liability and regardless of whether such action has any factual basis) concerning the use of any LICENSED MARK, or use, sale, manufacture, workmanship,

material, design, or advertisement of any LICENSED PRODUCT, arising out of, directly or indirectly, the rights granted in this Agreement.

10.3 LICENSEE shall obtain and carry in full force and effect commercial general liability insurance, including product liability insurance, which shall protect LICENSEE and Indemnitees with respect to events covered by Paragraph 10.2 above. Such insurance (i) shall be issued by an insurer licensed to practice in the Commonwealth of Massachusetts or an insurer pre-approved by MIT, such approval not to be unreasonably withheld, (ii) shall list MIT as an additional insured thereunder, (iii) shall be endorsed to include product liability coverage, and (iv) shall require thirty (30) days written notice to be given to MIT prior to any cancellation or material change thereof. The limits of such insurance shall not be less than One Million Dollars (\$1,000,000) per occurrence with an aggregate of Two Million Dollars (\$2,000,000) for bodily injury including death; and One Million Dollars (\$1,000,000) per occurrence with an aggregate of Two Million Dollars (\$2,000,000) for property damage. LICENSEE shall provide MIT with Certificates of Insurance evidencing compliance with this paragraph. LICENSEE shall continue to maintain such insurance after the expiration or termination of this Agreement during any period in which LICENSEE continues to make, have made, or SELL a LICENSED PRODUCT under this Agreement.

11. ASSIGNMENT

This Agreement is personal to LICENSEE and may not be assigned without the prior written consent of MIT, which shall not be unreasonably withheld, and the assignee or transferee must agree in writing to MIT to be bound by the terms and conditions of this Agreement prior to such assignment or transfer.

12. PAYMENTS,NOTICES AND OTHER COMMUNICATIONS

12.1 Any notices required or permitted under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be sent by hand, recognized national overnight courier, confirmed facsimile transmission, confirmed electronic mail, or registered or certified mail, postage prepaid, return receipt requested, to the following addresses or facsimile numbers of the parties:

In the case of MIT:

Director
Technology Licensing Office
Massachusetts Institute of Technology
255 Main Street, , Room NE18-501
Cambridge, MA 02142 -1601
Tel: 617-253-6966
Fax: 617-258-6790

In the case of LICENSEE:

Tel: : _____
Fax: _____

All notices under this Agreement shall be deemed delivered when sent via confirmed electronic mail, or telecopier to the telefacsimile number identified above, or three (3) days after mailing via certified or registered mail, return receipt requested, postage prepaid, addressed to the party for whom intended, or when actually received by the party for whom intended, whichever is earlier. A party may change its contact information immediately upon written notice to the other party in the manner provided in this paragraph.

12.2 Any items (or packages thereof) to be shipped by LICENSEE to MIT shall be deemed sufficiently made or given on the date of receipt by MIT if such package or items are shipped prepaid via Federal Express, UPS, DHL or similar first class service to MIT at the address in Paragraph 12.1.

13. MISCELLANEOUS PROVISIONS

13.1 This Agreement shall be construed, governed, interpreted and applied in accordance with the internal laws of the Commonwealth of Massachusetts, U.S.A.

13.2 The parties hereto acknowledge that this Agreement sets forth the entire Agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change or modification except by the execution of a written instrument executed by the parties hereto.

13.3 The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

13.4 The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other party.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly authorized representatives.

THE EFFECTIVE DATE of this Agreement is _____

MASSACHUSETTS INSTITUTE
OF TECHNOLOGY

(LICENSEE)

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

MIT Merchandise License Guidelines

Appendix A

Mark #1 (text)

Massachusetts Institute of Technology

Use ® for the following goods:

Clocks, watches, tiepins, and rings (Class 14); stationery, namely writing paper and envelopes, and for pens, paperweights, and decals (Class 16); drinking cups (Class 21); clothing, namely sweatpants, sweatshirts, T-shirts, jackets, and shorts (Class 25).

Use ™ for all other goods.

Note: For all registered trademarks of the Institute, the ® symbol must be placed in either the lower-right or upper-right corner of the registered mark. For all unregistered trademarks of the Institute, the ™ symbol must be placed in either the lower-right corner or the upper-right corner of the mark.

Mark #2 (text)

MIT (Do not use the acronym with periods.)

Use ® for the following goods:

Rings (Class 14); pens, pencils, notebooks, and decals (Class 16); coffee cups, coffee mugs, and glassware (Class 21); clothing, namely sweaters, sweatpants, sweatshirts, jackets, T-shirts, neckties, shorts, and shirts (Class 25).

Mark #3 (design)



Massachusetts Institute of Technology®

There are five primary color combinations of the MIT logo. See the [logo options](#); contact mitmerch@mit.edu to request the logo files.

When the MIT logo is used alone, ® **MUST** be used.

Use ® for the following goods:

Paper goods and printed matter, such as notebooks, appointment books, calendars, pens, pencils, stationery, binders, and decals (Class 16); clothing, namely T-shirts, sweatshirts, shorts, and caps (Class 25); educational services, namely providing courses for instruction at the college, graduate, and PhD levels (Class 41).

Use ™ for all other goods.

Please note: The MIT logo is the Institute's primary mark and must be given precedence over the use of the MIT seal.



Mark #4 (design)



Use ® for the following goods:

Clocks, watches and, tiepins (Class 14); writing paper, paperweights, and decals (Class 16); drinking cups (Class 21); clothing, namely sweatpants, sweatshirts, and T-shirts (Class 25).

Use ™ for all other goods.

Please note: The MIT logo is the Institute's primary mark and must be given precedence over the use of the MIT seal.

Mark #5 (design)



The MIT Sloan School of Management has its own [guidelines for branding](#). Use ™ for all goods.

Mark #6 (text)

MIT Sloan

Use ® for the following goods:

Computer accessories, namely computer mouse pads (Class 09); notebooks, appointment books, calendars, pens, pencils, stationery, binders, and decals (Class 16); clothing, namely T-shirts, sweatshirts, shorts, and caps (Class 25).

Use ™ for all other goods.

Mark #7 (text)

Nerd Pride

Use ® for the following goods:

Clothing and children's clothing such as sweatshirts, sweatpants, T-shirts, jackets, and shorts (Class 25); ornamental novelty buttons (Class 20).

The only acceptable fonts are Univers, Collegiate Style/Athletic Block, Helvetica, or Arial.

Use ™ for all other goods.

Mark #8 (any MIT Dome graphic)

Use ™ for any rendition of the MIT Dome.

Marks no longer in use

These marks should no longer be used and should be removed from ongoing designs:

The letter “T”

M.I.T. (note periods)

MIT Engineers (text)

Engineers (text)

Any use of “Engineers” is to be limited to athletic gear and must correspond to Department of Athletics, Physical Education & Recreation (DAPER) guidelines.

APPENDIX C

Code of Conduct for Manufacturers of MIT Licensed Merchandise (2018)

I. Introduction

A. MIT is committed to conducting its business affairs in an ethical manner consistent with its educational, research and service missions.

B. MIT has adopted the following Code of Conduct (the “Code”) which requires that all Licensees, at a minimum, adhere to the principles set forth in the Code.

C. Throughout the Code the term “Licensee” shall include all persons or entities which have entered into a written “License Agreement” with MIT, or who manufacture “Licensed Articles” (as that term is defined in the License Agreement) bearing the name, trademarks and/ or images of MIT. The term “Licensee” shall for purposes of the Code, and unless otherwise specified in the Code, encompass all of Licensees’ contractors, subcontractors or manufacturers which produce, assemble or package finished Licensed Articles for the consumer.

II. Notice

A. The principles set forth in the Code shall apply to all Licensees.

B. As a condition of being permitted to produce and/ or sell Licensed Articles, Licensees must comply with the Code. Licensees are required to adhere to the Code within six (6) months of notification of the Code and as required in applicable license agreements.

III. Standards

A. Licensees agree to operate workplaces and contract with companies whose workplaces adhere to the standards and practices described below. MIT prefers that Licensees exceed these standards.

B. *Legal Compliance:* Licensees must comply with all applicable legal requirements of the country(ies) of manufacture in conducting business related to or involving the production or sale of Licensed Articles. Where there are differences or conflicts with the Code and the laws of the country(ies) of manufacture, the higher standard shall prevail, subject to the considerations stated in Section VI.

C. *Employment Standards:* Licensees shall comply with the following standards:

1. *Wages and Benefits:* Licensees recognize that wages are essential to meeting employees’ basic needs. Licensees shall pay employees, as a floor, wages that comply with all applicable laws and regulations, and which provide the higher of minimum or prevailing industry wage. Licensees must also provide legally mandated benefits.

2. *Working Hours:* Hourly and/ or quota-based wage employees shall (i) not be required to (a) regularly work more than 48 hours per week or (b) work more than the limits on regular hours and overtime hours allowed by the law of the country of manufacture, whichever is less, and (ii) be entitled to at least one day off in every seven day period, as well as holidays and vacations.

3. *Overtime Compensation:* In addition to their compensation for regular hours of work, hourly and/ or quota-based wage employees shall be compensated for overtime hours at such a premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least one and one-half their regular hourly compensation rate.

4. *Child Labor:* Licensees shall not employ any person at an age younger than 15 (or 14, where, consistent with International Labor Organization practices for developing countries, the law of the country of manufacture allows such exception). Where the age for completing compulsory education is higher than the standard for the minimum age of employment stated above, the higher age for completing compulsory education shall apply to

this section. Licensees agree to consult with governmental, human rights, labor and/ or business organizations as appropriate and to consult with WRC officials to determine how to best minimize the negative impact on children released from employment as a result of implementation or enforcement of the Code.

5. *Forced Labor*: There shall not be any use of forced prison labor, indentured labor, bonded labor or other forced labor.

6. *Health and Safety*: Licensees shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Licensee facilities. In addition, Licensees must comply with the following provisions:

a. The Licensee shall ensure that its direct operations and those of any subcontractors comply with all workplace safety and health regulations established by the national government where the production facility is located, or with Title 29 CFR of the Federal Code of Regulations, enforced by Federal OSHA (Occupational Safety and Health Administration), whichever regulation is more health protective for a given hazard.

b. The Licensee shall ensure that its direct operations and subcontractors comply with all health and safety conventions of the International Labor Organization (ILO) ratified and adopted by the country in which the production facility is located.

7. *Nondiscrimination*: No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, or ethnic origin.

8. *Harassment or Abuse*: Every employee shall be treated with dignity and respect. No employee shall be subject to any physical or sexual harassment or abuse. Licensees will not use or tolerate any form of corporal punishment.

9. *Freedom of Association and Collective Bargaining*: Licensees shall recognize and respect the right of employees to freedom of association and collective bargaining. No employee shall be subject to harassment, intimidation or retaliation in their efforts to freely associate or bargain collectively. Licensees shall not assist governmental agencies and other organizations in preventing workers from organizing a union of their choice. Licensees shall not inhibit union organizers from gaining access to employees outside of factory grounds. Licensees shall recognize the union of the employees' choice.

10. *Women's Rights*

a. Women workers will receive equal remuneration, including benefits; equal treatment; equal evaluation of the quality of their work; and equal opportunity to fill all positions open to male workers.

b. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.

c. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits up to the time limit specified by local law.

d. Workers will not be forced or pressured to use contraception.

e. Workers will not be exposed to hazards, including glues and solvents, that may endanger their safety, including their reproductive health.

f. Licensees shall provide appropriate services and accommodation to women workers in connection with pregnancy.

11. Licensees that produce or source licensed apparel from or in Bangladesh, within 14 days of being given notice of this requirement, shall sign and remain a party to the Accord on Fire and Building Safety in Bangladesh.

IV. Compliance and Disclosure

Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) shall disclose to the Worker Rights Consortium, MIT, and the public the information set forth in Sections A, B, and C below.

A. Upon execution and renewal of the License Agreement and upon the selection of any new manufacturing facility which produces Licensed Articles, the company names, contacts, addresses, phone numbers, e-mail addresses, and nature of the business association for all such facilities which produce Licensed Articles;

B. at least sixty (60) days prior to the end of each contract year of the License Agreement, written assurance that (i) Licensees are in compliance with the Code and/ or (ii) licensees are taking reasonable steps to remedy non-compliance in facilities found in violation of the code;

C. at least sixty (60) days prior to the end of each contract year of the License Agreement, a summary of those steps taken to remedy material violations, and/ or difficulties encountered, during the preceding year in implementing and enforcing the Code at all of Licensees' facilities which produce Licensed Articles

V. Verification

It shall be the responsibility of Licensees (for themselves and on behalf of their contractors, subcontractors, or manufacturers) to ensure their compliance with the Code. The WRC and its Member Institutions will undertake efforts to determine and clearly define the obligations associated with the development of adequate methods and training for independent external monitoring, as guided by the principles in the founding document of the Consortium.

VI. Labor Standards Environment

In countries where law or practice conflicts with these labor standards, Licensees agree to consult with governmental, human rights, labor and/ or business organizations as appropriate and to consult with WRC officials in developing a plan to achieve full compliance with each of these standards. Licensees further agree to refrain from any actions that would diminish the protections of these labor standards. MIT reserves the right to refuse renewal of Licensing Agreements for goods made in countries where:

A. progress toward implementation of the employment standards in the Code is no longer being made; and

B. compliance with the employment standards in the Code is deemed impossible. MIT shall make such determinations based upon examination of reports from governmental, human rights, labor or business organizations as appropriate and after consultation with the relevant Licensees.

VII. Remediation

Remedies herein apply to violations occurring after the Effective Date of the Code

A. If a Licensee has failed to self-correct a violation of the Code, MIT will consult with the Licensee (for itself and on behalf of its contractors, subcontractors, or manufacturers) to determine appropriate corrective action.

B. The remedy will, at a minimum, include requiring the licensee to take all steps necessary to correct such violations including, except in extraordinary circumstances and with the consultation of WRC and approval of MIT:

1. Paying all applicable back wages found due to workers who manufactured the licensed articles.

2. Reinstatement of any worker found to have been unlawfully dismissed.

C. If agreement on corrective action is not reached, and/ or the action does not result in correction of the violation within a specified reasonable time period, MIT reserves the right to

1. require that the Licensee terminate its relationship with any contractor, subcontractor, or manufacturer that continues to conduct its business in violation of the Code, and/ or

2. terminate its relationship with any Licensee that continues to violate the Code.